

Report of	Meeting	Date
Director Change and Delivery	Shared Services Joint Committee	24 July 2023

## Shared Services Monitoring Report- July 2023

Is this report confidential?	No
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Is this decision key?	No
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### Purpose of the Report

1. This report provides an update on the services that are shared between Chorley Council and South Ribble Borough Council. The report considers budgets, service development objectives, performance, staff satisfaction, and risk.

### Recommendations to Shared Services Joint Committee

2. To consider the shared services monitoring report and note the current progress.

### Reasons for recommendations

3. The monitoring report provides quarterly updates on Chorley and South Ribble's shared services arrangements, allowing the Committee to regularly monitor progress and performance.

### Other options considered and rejected

4. This report is for noting only and so there are no other options to consider.

### Executive summary

5. This report provides a quarterly update on the phase 1, 2 and 3 shared services between Chorley Council and South Ribble Borough Council including updates in relation to:
  - a) Staffing and budgets overview
  - b) Staff satisfaction
  - c) Progression against service development objectives
  - d) Service performance
  - e) Risk review

## **Background**

6. Phase 1 shared services including Transformation and Partnerships, Communications and Visitor Economy, and Governance services were implemented in April 2020, with the restructures for the services completed in November that year. A number of teams have subsequently been reviewed including Events, and Museums, Tourism and Culture under the Communications and Visitor Economy service as well as Health and Safety and Corporate Support under the Governance service.
7. The phase 2 shared services were implemented in November 2021 for ICT and March 2022 for Customer Services.
8. The phase 3 shared service, Property and Development, was implemented on the 1 February 2023 and is being reported on for the first time as part of this monitoring report.
9. Regular monitoring reports are to be presented to the Shared Services Joint Committee to provide an overview of action and performance in delivering the shared operating models across the newly shared services.

## **Savings and budgets**

10. Overall, there has been in excess of £1.6m savings realized with over £900k at CBC and over £700k at SRBC.
11. Most services operate on a 50/50 basis with exceptions reflecting the specific needs of either authority. These exceptions include:
  - IT Infrastructure Team which is split 40% CBC and 60% SRBC
  - IT Digitisation Team which is split 20% CBC and 80% SRBC
  - Events Team which is split 60% CBC and 40% SRBC
  - Property services team which is split 60% CBC and 40% SRBC
  - Services that relate entirely to one Council including CBC Town Hall and Civic Services staff.
12. Unlike the rest of Shared Services, within Customer Services, ICT and Property and Assets there is no specific host Council. The posts are employed and shared across both Councils and recharged on a 50:50 basis or according to the relevant exceptions.

## **Staff Satisfaction**

13. Staff satisfaction within shared services has been measured through the Pulse Survey which is carried out every 6 months for all services across both councils to provide a regular check in and monitoring on staff satisfaction and wellbeing. The survey asks staff questions around:
  - understanding of how their service contributes to delivering the priorities of the councils/ shared services

- understanding of their role within their directorate/ shared services
- if they have the skills and knowledge needed for their role
- overall happiness with their jobs.

14. The survey also provides an opportunity for staff to provide anonymous written feedback.

15. The Pulse Surveys help to provide a general indication of satisfaction over a period of time and help to identify and address any key issues which need to be targeted and resolved. Staff satisfaction and engagement is also informally measured throughout the year through regular staff forums and employee engagement groups.

16. The survey received 183 responses from shared service employees, and 100 open feedback responses. This represented 72.1% of Shared Service staff. Results are outlined below, compared to last year in June 2022.

#### Phase One

	% +/-	Pulse Survey May 23 (Phase One)	Pulse Survey June 22 (Phase One)
Service	↑ 0.2	95.4%	95.2%
Role	↑ 2.1	98.9%	96.8%
Skills and Knowledge	↑ 1.1	97.7%	96.8%
Happiness	↓ 4.3	74.7%	79%

17. Phase one employees:

- Continue to have a strong understanding of their service, role and skills required. This has been maintained with over 95% average agreement with these three questions.
- Happiness has reduced slightly, and this was primarily due to employees indicating 'neither' rather than disagree.

Phase Two:

	% +/-	Pulse Survey May 23 (Phase Two)	Pulse Survey June 22 (Phase Two)
Service	↑ 27.9	94.6%	66.7%
Role	↑ 29.3	93.2%	63.9%
Skills and Knowledge	↑ 15.5	90.5%	75.0%
Happiness	↑ 34.4	62.2%	27.8%

18. Phase two employees:

- Showed significant improvements in understanding regarding their role and service. Responses indicated that more employees now feel that they have the skills and knowledge needed for their job.
- Customer services showed significant increase in staff happiness.

Phase Three – Property and Development

19. The Property and Development service shows high levels of understanding of the role of their service in contributing to both councils alongside the skills and knowledge required for their roles. There was slightly lower agreement with understanding of individual roles at the time of the survey, and work has taken place since then to embed the new job roles and carry out the transition of workloads and duties.

20. Overall satisfaction is higher within this service (implemented as a shared team on the 1 February) than in the phase 2 services when they had recently been implemented. This indicates that staff are now happier following the change process than previous phases, indicating that our change process and support for staff has improved.

Property and Development	
<b>Service</b>	100%
<b>Role</b>	89.5%
<b>Skills</b>	94.7%
<b>Happiness</b>	68.4%

**Open Feedback**

21. The following open feedback identifies key themes and areas for improvement alongside planned interventions to address key issues. These findings are broadly in line with the wider organisations.

Key feedback	Interventions
<p><b>Ways of Working</b></p> <ul style="list-style-type: none"> <li>Staff feel supported within their teams and feel that they work well with their colleagues.</li> <li>Teams indicated they work well with immediate colleagues but highlighted opportunities to improve collaboration and coordination between services.</li> </ul>	<ul style="list-style-type: none"> <li>Reinforcing a positive culture through an organisation wide 'employee experience' (It's All About Us event) to establish future values and behaviours.</li> <li>The introduction of new employee recognition initiatives</li> <li>Team Talk Initiative to support cross team learning and collaboration</li> <li>Tailored People Strategy initiatives through engagement and well-being activities.</li> </ul>
<p><b>Capacity:</b></p> <ul style="list-style-type: none"> <li>Knowledge gaps and need for effective succession planning in some areas</li> <li>Recognition from staff that work has taken place to recruit to vacant posts and that this has helped to improve capacity given concerns around high workloads</li> </ul>	<ul style="list-style-type: none"> <li>Review of recruitment and onboarding projects to improve the recruitment process</li> <li>Targeted recruitment in difficult to recruit to areas</li> <li>New apprenticeship and graduate offer to build our talent pool and to support with succession planning</li> </ul>
<p><b>Communication</b></p> <ul style="list-style-type: none"> <li>Embedding system and process changes following the initial change process, including rationale and benefits.</li> <li>Ensuring that messages are cascading consistently through the organisation</li> </ul>	<ul style="list-style-type: none"> <li>Internal Communication Strategy initiatives</li> <li>The roll out of the new staff intranets for improved employee experience</li> <li>Digital Feedback Box promoting two-way communication between the Senior Management Team and staff</li> <li>The new monthly staff email to ensure everyone gets key messages at the same time</li> </ul>

22. Whilst it is difficult to compare to surveys by other organisations with different questions, the findings from the Pulse Survey are roughly in line with other public sector organisations, for example the Civil Service People Survey in 2021 found a mean 'employee engagement index' of 62.65 out of 100 and the NHS Staff Survey found an overall morale score of 5.8 out of 10.

23. Findings of the survey are shared with staff and fed back to Directors and Heads of Service to identify actions to target issues identified and to further embed and grow high staff satisfaction and engagement.

### Service Level Development

24. Each service has identified several service development objectives to set out the transformation and development of the shared services to a single operating model. These are refreshed annually to reflect continuous improvement of the services.

25. Phase 1 objectives have been refreshed and updated. The phase 2 service development objectives were identified as part of the approval of the proposals for the shared services. ICT became a shared service in November 2021, and Customer Services in March 2022. The services are now progressing well against their objectives despite initial challenges relating to capacity and temporary service demands, such as the national Council Tax Rebate scheme. New objectives have also been identified for phase 3, Property and Development.
26. The full-service development objectives and status update for 2022/23 are available in appendix A. Below is a summary of the work completed over the last quarter towards developing the shared services, alongside case studies to highlight key achievements over the last year.

**PHASE 1- Transformation and Partnerships, Communications and Visitor Economy, Governance Services**

- A new objective has been identified to undertake an internal review of Performance and Partnerships resource to reflect progress and add further value now that the service has been shared for three years. The proposals aim to build on the development of shared performance and programme management systems and frameworks, which have now been embedded across the councils. The service will also deliver a business partnering approach to advising services across the organisation. Following engagement and consultation with the team, proposals have now been signed off and implemented.
- Work has continued on the delivery of phase 2 of the HR transformation project including the roll out of HFX time management system which has now been rolled out to all staff. A new recruitment system is also currently out for tender and is due to be finalized by the end of the year. The new systems aim to be more efficient, enabling managers to self-serve where possible and automating processes for a better experience.
- The events programme for 2022/23 has now been successfully completed, with work starting on preparations for events in 2023/24.
- A tourism strategy has been developed for South Ribble to ensure a strategic approach for developing the visitor economy and tourism offer within the borough. The strategy will now progress for members to review at Cabinet.
- The internal communications strategy is being progressed including the launch of the new intranet for Chorley council and work to develop the new intranet for South Ribble. This will help to improve the sharing of information and communications across the organisations, ensuring staff feel informed and aware of key changes and updates.

### **CASE STUDY: Shared Events Function**

The shared events team has introduced dedicated capacity for events management at South Ribble, enabling the council to develop a wider events programme of larger scale events. The team have put in place a refreshed approach to events management, with the introduction of more detailed processes and events management plans. This has allowed the team to successfully deliver a full programme of events over 2022/23 including Leyland Festival, Music in the Park, A Taste of Leyland and the Christmas Lights Switch On. The events have provided new opportunities for communities to come together and celebrate. Looking forward, the team is now reviewing new events which could be delivered in the future to further expand on the events programme, whilst also making improvements based on feedback from previous events.

### **CASE STUDY: Shared HR Hub**

The shared HR team have implemented a shared payroll, HR Hub and time management system. The roll out of HFX (the time management system) has been expanded from South Ribble Borough Council, across to Chorley Council and the Leisure Companies. This replaced an old system being used by Chorley and has expanded the functionality of the system across both councils to deliver an integrated approach to time management and payroll. The new system allows managers from either council to manage staff time management through one system, with integrated functions for different processes, such as reporting sickness. The system also allows for improved information and reporting to be available to managers and the wider organisation, with next steps to include the implementation of a manager dashboard to provide quick access to key information.

## **PHASE 2- Customer Services and ICT**

- The development of new policies for the Customer Services and Revenues and Benefits service has continued with the Council Tax Discretionary Hardship policies approved by both Councils in May. The refreshed policies are more accessible for customers, making it easier for residents who are most in need to access support.
- A new training officer has been recruited to the Customer Services team to support the training and development of the team, including for new and apprentice staff. Training is also being developed in line with the new Customer Access Charter to ensure and consistent approach to customer care standards across the organisation.
- Process improvements have continued for the customer services team, including work taking place to improve and automate processes on the revenues and benefits system. A shared telephony system has also been rolled out which provides greater resilience through a cloud based system and fully integrates within existing Teams software. This will deliver further benefits through stage two of the roll out which will introduce functionality to measure customer satisfaction, automated real time reporting and additional digital channels such as web chat.
- The ICT service has made progress on the delivery of the ICT plan which aims to align infrastructure and technology across the organisations, ensuring a stable and effective

base to support officers and members in their work and enable agile and hybrid working. Devices including phones, tablets and laptops have now been rolled out to all staff, with next steps to be the return of any legacy hardware.

- Business systems used to manage day to day work across the council have now been identified and a review will be started to improve and upgrade systems as part of a rolling programme. The aim of the review is to ensure that systems meet the needs of service areas and that the councils are making best use out of system functionality.

#### **CASE STUDY: Shared ICT Service**

Despite facing the challenge of vacant posts within the team and difficulties in recruitment, the shared ICT service has delivered a large programme of work over the last year to ensure that the systems and technology that the councils use are sustainable, fit for purpose, and meet the needs of the organisations.

The shared service has allowed for some work to 'be delivered once' across both councils, reducing the duplication of work in the project management and delivery of ICT improvements.

Over the last year, the service has delivered the roll out of new mobile key, the single desktop across both authorities, the roll out of new laptops, multi-functional printers, door access system, hosting of the time management system and the new intranet. This is alongside work to continue digitising files and documentations, reviewing current business systems, and review of internal and external forms to deliver automated processes and improved customer self-service.

The main benefits of this programme of work have been ensuring that the infrastructure and technology that we have in place is fit for purpose, with improved functionality and integration with existing systems. The changes also better enable flexible and hybrid working from any location.

#### **CASE STUDY: Improved policies and processes**

Customer services and revenues and benefits policies have been reviewed to ensure that these are aligned wherever possible and that staff can work effectively to one set of policies and procedures. The service has also taken this opportunity to take the best practice from each of the council's current policies, whilst also incorporating other industry best practice.

The refreshed policies are all clear, easy to understand and have been simplified where possible. This makes them more accessible to residents and other customers, whilst also making sure that key timescales and procedures are clearly defined.

The councils have also been making improvements to processes, such as introducing new automation to revenues and benefits processes through the council's Capita software and reviewing the Garden Waste process to help better manage demand and customer calls during the renewal period.

These changes have seen improvements to managing customer contact and demands over the last year, but further improvements are now being planned to support the continuous improvement of the service and to make processes quicker and easier for all customers.



### PHASE 3- Property and Development

- The new shared service was implemented on the 1 February with the start of new Head of Service starting in post on the 1 April.
- Work has taken place to bring the shared service together through an induction and development programme including a team building session facilitated by an external provider and a listening session to identify barriers and opportunities for the shared team.
- Recruitment has taken place to vacant posts within the service including the Senior Surveyor roles which will help to improve capacity within the service and drive forward progress.
- Work has started through the Commercial Services Development Group to update and align policies and processes across the organisations including utility management procedures, planned preventative maintenance and a procurement policy.
- Work has started to define the specification and project plan for a new property management system. This is expected to be delivered over the next 18 months and will provide a single version of the truth for all property records, automating processes and ensuring works, inspections and reviews are carried out according to planned timeframes.

### Performance

27. In addition to corporate level performance measures aligned to the Corporate Strategy, each service has local level performance measures to track productivity and impact. Local service performance indicators are reported twice a year to each council's relevant performance scrutiny panels.
28. The latest available performance information for outcome based performance indicators is set out at appendix B. The performance indicators for ICT are currently being designed and captured to reflect new systems. Once the new systems are in place, the indicators will be brought online and included in future reporting.
29. For Q4 2022/23 performance has been high across the services with only 4 of the indicators currently off target, an all being within a 5% threshold of the target. The majority of indicators are also performing the same as or better than Q4 2021/22.

### Risk Register

30. The following risk register provides a summary of the key risks for shared services, in addition to the actions and controls that are in place to mitigate the potential impact on the councils.
31. 3 risks are identified as **medium-risk** in relation to impact and likelihood, and 3 risks are identified as **low-risk**. Risks remain relatively stable across shared services, with the narrative in the table below explaining where risks have changed, for example, due

to the successful delivery of mitigating actions or greater stability following the recent elections.

32. All risks will continue to be monitored as part of the shared services project and corporate strategic risk registers, and any changes in risk will be captured through reporting to Shared Services Joint Committee.

Risk No. (Rnn)	Description	Controls in Place	Impact	Likelihood	Matrix Score	Actions Planned	Target Action Date	Comment
R1	Organisational disruption and impact on performance and service delivery	<p>Performance management mechanisms have been strengthened to ensure close corporate oversight throughout any shared services changes.</p> <p>A reviewed monitoring approach for Shared Services has been agreed by SSJC to allow for more frequent reporting on phase 2 of shared services.</p>	3	2	6	<p>Additional capacity is currently being recruited to for the Customer Services and ICT teams, including recruitment to vacant posts and a new training officer for Customer Services to support training and development.</p> <p>A delivery programme for the future development of shared services will be developed with clear timescales and milestones, supported by the transformation team to minimise impact across the councils</p> <p>A risk assessment is to be conducted for each new service review in relation to customer/ operational impact</p> <p>Review of management capacity to provide additional senior management resource at Head of Service Level to support shared Director team.</p>	<p>Ongoing – August 2023 Completed</p> <p>Completed</p> <p>Completed</p> <p>Completed</p>	Since the last monitoring report, this has been reduced from 9 to 6 to reflect completed actions including additional senior management capacity to help support change and transition to shared services, alongside operational risk assessments for new shared services.
R2	Staff uncertainty and impact on workforce wellbeing	<p>Staff will be fully engaged and consulted throughout the changes, both informally and formally in line with the refreshed Change Policy.</p> <p>Regular pulse surveys are in place to monitor staff wellbeing and any issues.</p> <p>The People Strategy has introduced a range of initiatives to support staff wellbeing and morale.</p>	3	3	9	<p>Training and development plan being delivered for Customer Services in line with the implementation of the shared service model.</p> <p>Lessons learned will be incorporated into the delivery of future phases of shared services to reduce staff uncertainty and impact on wellbeing, this includes taking a more measured approach to shared services so that resources can be focused on supporting functions</p>	<p>Ongoing- September 2023</p> <p>Ongoing</p>	Incorporating lessons learned into the future delivery of shared services has made a positive impact on the implementation of existing shared services as evidenced through the pulse survey. However, the overall risk remains at a 9 due to future services that will be considered.

						<p>which are going through a shared services review.</p> <p>Internal communications strategy initiatives to ensure clear communication across the organisations</p> <p>Employee recognition initiatives</p>	<p>September 2023</p> <p>December 2023</p>	<p>It is expected that this risk will begin to reduce as shared services continued to become further embedded across the councils, alongside the refreshed approach to internal communications and employee engagement.</p>
R3	Wider strategic changes to local government structures	Both organisations are fully engaged and working proactively to understand the implications of local government reorganisation. Shared services helps to strengthen the strategic position of both councils and the ability to influence and shape change through greater scale.	3	2	6			No changes, both councils continue to engage in any potential changes to wider local government structures
R4	Change in political control leading to a lack of cross party support	Arrangements specified in the shared services agreement including an extended agreement and exit arrangements.	3	1	3	<p>Options on future of shared services to be considered at Shared Services Joint Committee in February 2023.</p> <p>Updates on options for future shared services to be provided to the Shared Services Joint Committee in June alongside full report in September</p>	<p>Complete</p> <p>September 2023</p>	Risk level decreased from 6 to 3 to reflect decreased likelihood of lack of cross party support following the recent council elections.

R5	Loss of sovereignty	Both councils retain political independence and decision making. Robust governance and clear protocols within the shared services agreement ensure that both councils maintain individual sovereignty.	3	1	3		No changes, this remains low risk
R6	Different levels of future budgets for shared services across both councils	Shared Services provides opportunities for continued savings for both councils.  The shared services agreement recognises committed budgets for each council.	3	1	3		No changes, this remains low risk

## Climate change and air quality

33. The work noted in this report has an overall neutral impact on the Councils Carbon emissions and the wider Climate Emergency and sustainability targets of the Council.

## Equality and diversity

34. This report has no equality or diversity implications.

## Risk

35. Risk is outlined within the report.

## Comments of the Statutory Finance Officer

36. There are no financial implications of this report. Shared Services costs and savings now form a significant and growing part of both Councils MTFS. This is monitored in year and relevant costs are attributed to each Council.

## Comments of the Monitoring Officer

37. No comments.

## Appendices

Appendix A- Service Development Objectives

Appendix B- Performance Indicators

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